



QUARTERLY STATEMENT
AS OF MARCH 31, 2014
OF THE CONDITION AND AFFAIRS OF THE
GRANGE INSURANCE COMPANY OF MICHIGAN

NAIC Group Code 00267, 00267 NAIC Company Code 11136 Employer's ID Number 31-1769414
Organized under the Laws of Ohio, State of Domicile or Port of Entry Ohio
Country of Domicile United States
Incorporated/Organized 04/23/2001 Commenced Business 07/26/2001
Statutory Home Office 671 South High Street, Columbus, OH, US 43206-1014
Main Administrative Office 671 South High Street, Columbus, OH, US 43206-1014 614-445-2900
Mail Address 671 South High Street, P.O. Box 1218, Columbus, OH, US 43216-1218
Primary Location of Books and Records 671 South High Street, Columbus, OH, US 43206-1014 614-445-2900
Internet Web Site Address www.grangeinsurance.com
Statutory Statement Contact David Sidney Ackermann, 614-445-2900
ackermannnd@grangeinsurance.com 614-449-3757

OFFICERS

THOMAS HOWARD WELCH, PRESIDENT & CEO LAVAWN DEE COLEMAN, VP & SECRETARY
JOHN PAUL MCCAFFREY, VP & CFO

OTHER OFFICERS

JOHN CHRISTOPHER MONTGOMERY, VP - INVESTMENTS

DIRECTORS OR TRUSTEES

MARK LEWIS BOXER, DOUGLAS PAUL BUTH, GLENN EUGENE CORLETT, ELWOOD GORDON GEE
ROBERT ENLOW HOYT, JOHN PAUL MCCAFFREY, MARY MARNETTE PERRY, MELVIN GEORGE PYE JR
THOMAS SIMRALL STEWART, THOMAS HOWARD WELCH, DAVID CHARLES WETMORE, CHRISTIANNA (NMN) WOOD #

State of Ohio

County of Franklin

The officers of this reporting entity being duly sworn, each depose and say that they are the described officers of said reporting entity, and that on the reporting period stated above, all of the herein described assets were the absolute property of the said reporting entity, free and clear from any liens or claims thereon, except as herein stated, and that this statement, together with related exhibits, schedules and explanations therein contained, annexed or referred to, is a full and true statement of all the assets and liabilities and of the condition and affairs of the said reporting entity as of the reporting period stated above, and of its income and deductions therefrom for the period ended, and have been completed in accordance with the NAIC Annual Statement Instructions and Accounting Practices and Procedures manual except to the extent that: (1) state law may differ; or, (2) that state rules or regulations require differences in reporting not related to accounting practices and procedures, according to the best of their information, knowledge and belief, respectively. Furthermore, the scope of this attestation by the described officers also includes the related corresponding electronic filing with the NAIC, when required, that is an exact copy (except for formatting differences due to electronic filing) of the enclosed statement. The electronic filing may be requested by various regulators in lieu of or in addition to the enclosed statement.

THOMAS HOWARD WELCH
PRESIDENT & CEO

BETH WILLIAMS MURPHY
AVP & ASST SECRETARY

JOHN PAUL MCCAFFREY
VP & CFO

a. Is this an original filing? Yes [X] No [ ]

b. If no:
1. State the amendment number
2. Date filed
3. Number of pages attached

Subscribed and sworn to before me this
12th day of May, 2014

Teresa J. Burchwell, Notary Public
April 28, 2017

STATEMENT AS OF MARCH 31, 2014 OF THE GRANGE INSURANCE COMPANY OF MICHIGAN

ASSETS

	Current Statement Date			4 December 31 Prior Year Net Admitted Assets
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	
1. Bonds .....	51,206,625		51,206,625	51,975,583
2. Stocks:				
2.1 Preferred stocks .....			0	0
2.2 Common stocks .....			0	0
3. Mortgage loans on real estate:				
3.1 First liens .....			0	0
3.2 Other than first liens .....			0	0
4. Real estate:				
4.1 Properties occupied by the company (less \$ ..... encumbrances) .....			0	0
4.2 Properties held for the production of income (less \$ ..... encumbrances) .....			0	0
4.3 Properties held for sale (less \$ ..... encumbrances) .....			0	0
5. Cash (\$ .....1,731,974 ), cash equivalents (\$ .....0 ) and short-term investments (\$ .....0 ) .....	1,731,974		1,731,974	919,533
6. Contract loans (including \$ ..... premium notes) .....			0	0
7. Derivatives .....			0	0
8. Other invested assets .....	0		0	0
9. Receivables for securities .....			0	0
10. Securities lending reinvested collateral assets .....			0	0
11. Aggregate write-ins for invested assets .....	0	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11) .....	52,938,599	0	52,938,599	52,895,116
13. Title plants less \$ ..... charged off (for Title insurers only) .....			0	0
14. Investment income due and accrued .....	661,126		661,126	534,509
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection .....	5,792,365	31,101	5,761,264	5,412,005
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$ .....10,565 earned but unbilled premiums) .....	11,068	503	10,565	9,020
15.3 Accrued retrospective premiums .....			0	0
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers .....	3,178,183		3,178,183	4,013,564
16.2 Funds held by or deposited with reinsured companies .....			0	0
16.3 Other amounts receivable under reinsurance contracts .....			0	0
17. Amounts receivable relating to uninsured plans .....			0	0
18.1 Current federal and foreign income tax recoverable and interest thereon .....			0	0
18.2 Net deferred tax asset .....	1,065,418	5,273	1,060,145	1,037,913
19. Guaranty funds receivable or on deposit .....			0	0
20. Electronic data processing equipment and software .....			0	0
21. Furniture and equipment, including health care delivery assets (\$ ..... ) .....			0	0
22. Net adjustment in assets and liabilities due to foreign exchange rates .....			0	0
23. Receivables from parent, subsidiaries and affiliates .....			0	0
24. Health care (\$ ..... ) and other amounts receivable .....			0	0
25. Aggregate write-ins for other-than-invested assets .....	13,113	0	13,113	13,376
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25) .....	63,659,872	36,877	63,622,995	63,915,503
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts .....			0	0
28. Total (Lines 26 and 27) .....	63,659,872	36,877	63,622,995	63,915,503
<b>DETAILS OF WRITE-INS</b>				
1101. ....			0	0
1102. ....			0	0
1103. ....			0	0
1198. Summary of remaining write-ins for Line 11 from overflow page .....	0	0	0	0
1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above) .....	0	0	0	0
2501. Equities in Pools .....	13,113		13,113	13,376
2502. ....			0	0
2503. ....			0	0
2598. Summary of remaining write-ins for Line 25 from overflow page .....	0	0	0	0
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above) .....	13,113	0	13,113	13,376

STATEMENT AS OF MARCH 31, 2014 OF THE GRANGE INSURANCE COMPANY OF MICHIGAN

LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Statement Date	2 December 31, Prior Year
1. Losses (current accident year \$ .....1,812,982 ) .....	10,591,672	10,502,732
2. Reinsurance payable on paid losses and loss adjustment expenses .....		0
3. Loss adjustment expenses .....	3,016,069	3,138,442
4. Commissions payable, contingent commissions and other similar charges .....	90,149	509,833
5. Other expenses (excluding taxes, licenses and fees) .....	710,400	961,221
6. Taxes, licenses and fees (excluding federal and foreign income taxes) .....	402,993	348,400
7.1 Current federal and foreign income taxes (including \$ .....7,154 on realized capital gains (losses)) .....	230,651	1,114,718
7.2 Net deferred tax liability .....		0
8. Borrowed money \$ ..... and interest thereon \$ .....		0
9. Unearned premiums (after deducting unearned premiums for ceded reinsurance of \$ .....41,488,272 and including warranty reserves of \$ ..... and accrued accident and health experience rating refunds including \$ ..... for medical loss ratio rebate per the Public Health Service Act) .....	11,537,629	11,211,433
10. Advance premium .....	614,075	302,975
11. Dividends declared and unpaid:		
11.1 Stockholders .....		0
11.2 Policyholders .....	19,358	24,877
12. Ceded reinsurance premiums payable (net of ceding commissions) .....		0
13. Funds held by company under reinsurance treaties .....		0
14. Amounts withheld or retained by company for account of others .....		0
15. Remittances and items not allocated .....		0
16. Provision for reinsurance (including \$ ..... certified) .....		0
17. Net adjustments in assets and liabilities due to foreign exchange rates .....		0
18. Drafts outstanding .....		0
19. Payable to parent, subsidiaries and affiliates .....	416,217	354,646
20. Derivatives .....		0
21. Payable for securities .....		0
22. Payable for securities lending .....		0
23. Liability for amounts held under uninsured plans .....		0
24. Capital notes \$ ..... and interest thereon \$ .....		0
25. Aggregate write-ins for liabilities .....	0	0
26. Total liabilities excluding protected cell liabilities (Lines 1 through 25) .....	27,629,213	28,469,276
27. Protected cell liabilities .....		0
28. Total liabilities (Lines 26 and 27) .....	27,629,213	28,469,276
29. Aggregate write-ins for special surplus funds .....	0	0
30. Common capital stock .....	1,000,000	1,000,000
31. Preferred capital stock .....		0
32. Aggregate write-ins for other than special surplus funds .....	0	0
33. Surplus notes .....		0
34. Gross paid in and contributed surplus .....	9,000,000	9,000,000
35. Unassigned funds (surplus) .....	25,993,782	25,446,227
36. Less treasury stock, at cost:		
36.1 ..... shares common (value included in Line 30 \$ ..... ) .....		0
36.2 ..... shares preferred (value included in Line 31 \$ ..... ) .....		0
37. Surplus as regards policyholders (Lines 29 to 35, less 36) .....	35,993,782	35,446,227
38. Totals (Page 2, Line 28, Col. 3)	63,622,995	63,915,503
<b>DETAILS OF WRITE-INS</b>		
2501. ....		0
2502. ....		0
2503. ....		0
2598. Summary of remaining write-ins for Line 25 from overflow page .....	0	0
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	0	0
2901. ....		0
2902. ....		0
2903. ....		0
2998. Summary of remaining write-ins for Line 29 from overflow page .....	0	0
2999. Totals (Lines 2901 through 2903 plus 2998) (Line 29 above)	0	0
3201. ....		0
3202. ....		0
3203. ....		0
3298. Summary of remaining write-ins for Line 32 from overflow page .....	0	0
3299. Totals (Lines 3201 through 3203 plus 3298) (Line 32 above)	0	0

## STATEMENT OF INCOME

	1 Current Year to Date	2 Prior Year to Date	3 Prior Year Ended December 31
<b>UNDERWRITING INCOME</b>			
1. Premiums earned:			
1.1 Direct (written \$ 25,782,537 )	26,332,849	26,049,591	107,626,054
1.2 Assumed (written \$ 7,446,230 )	7,119,990	6,652,929	27,770,815
1.3 Ceded (written \$ 25,820,188 )	26,370,455	26,067,578	107,757,979
1.4 Net (written \$ 7,408,580 )	7,082,383	6,634,942	27,638,891
DEDUCTIONS:			
2. Losses incurred (current accident year \$ 3,975,383 ):			
2.1 Direct	15,388,417	75,920,014	122,140,038
2.2 Assumed	4,154,416	3,323,260	15,307,089
2.3 Ceded	15,414,278	75,923,291	122,211,268
2.4 Net	4,128,555	3,319,983	15,235,859
3. Loss adjustment expenses incurred	820,181	743,426	3,267,896
4. Other underwriting expenses incurred	2,205,113	2,184,202	9,138,806
5. Aggregate write-ins for underwriting deductions	0	0	0
6. Total underwriting deductions (Lines 2 through 5)	7,153,849	6,247,611	27,642,561
7. Net income of protected cells	0	0	0
8. Net underwriting gain (loss) (Line 1 minus Line 6 + Line 7)	(71,466)	387,331	(3,671)
<b>INVESTMENT INCOME</b>			
9. Net investment income earned	445,551	421,334	1,748,091
10. Net realized capital gains (losses) less capital gains tax of \$ 7,154	13,286	(323)	45,883
11. Net investment gain (loss) (Lines 9 + 10)	458,837	421,011	1,793,974
<b>OTHER INCOME</b>			
12. Net gain or (loss) from agents' or premium balances charged off (amount recovered \$ 857 amount charged off \$ 41,148 )	(40,291)	(31,584)	(139,087)
13. Finance and service charges not included in premiums	412,128	464,263	1,833,016
14. Aggregate write-ins for miscellaneous income	9,910	8,729	62,696
15. Total other income (Lines 12 through 14)	381,747	441,408	1,756,625
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15)	769,118	1,249,750	3,546,928
17. Dividends to policyholders	18,694	17,347	80,985
18. Net income, after dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Line 16 minus Line 17)	750,424	1,232,403	3,465,943
19. Federal and foreign income taxes incurred	223,497	406,891	1,090,011
20. Net income (Line 18 minus Line 19)(to Line 22)	526,927	825,512	2,375,932
<b>CAPITAL AND SURPLUS ACCOUNT</b>			
21. Surplus as regards policyholders, December 31 prior year	35,446,227	32,986,130	32,986,130
22. Net income (from Line 20)	526,927	825,512	2,375,932
23. Net transfers (to) from Protected Cell accounts	0	0	0
24. Change in net unrealized capital gains or (losses) less capital gains tax of \$	0	0	0
25. Change in net unrealized foreign exchange capital gain (loss)	0	0	0
26. Change in net deferred income tax	19,688	19,453	87,636
27. Change in nonadmitted assets	940	5,320	(3,471)
28. Change in provision for reinsurance	0	0	0
29. Change in surplus notes	0	0	0
30. Surplus (contributed to) withdrawn from protected cells	0	0	0
31. Cumulative effect of changes in accounting principles	0	0	0
32. Capital changes:			
32.1 Paid in	0	0	0
32.2 Transferred from surplus (Stock Dividend)	0	0	0
32.3 Transferred to surplus	0	0	0
33. Surplus adjustments:			
33.1 Paid in	0	0	0
33.2 Transferred to capital (Stock Dividend)	0	0	0
33.3 Transferred from capital	0	0	0
34. Net remittances from or (to) Home Office	0	0	0
35. Dividends to stockholders	0	0	0
36. Change in treasury stock	0	0	0
37. Aggregate write-ins for gains and losses in surplus	0	0	0
38. Change in surplus as regards policyholders (Lines 22 through 37)	547,555	850,285	2,460,097
39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38)	35,993,782	33,836,415	35,446,227
<b>DETAILS OF WRITE-INS</b>			
0501.	0	0	0
0502.	0	0	0
0503.	0	0	0
0598. Summary of remaining write-ins for Line 5 from overflow page	0	0	0
0599. TOTALS (Lines 0501 through 0503 plus 0598) (Line 5 above)	0	0	0
1401. Miscellaneous Income	9,910	8,729	62,696
1402.	0	0	0
1403.	0	0	0
1498. Summary of remaining write-ins for Line 14 from overflow page	0	0	0
1499. TOTALS (Lines 1401 through 1403 plus 1498) (Line 14 above)	9,910	8,729	62,696
3701.	0	0	0
3702.	0	0	0
3703.	0	0	0
3798. Summary of remaining write-ins for Line 37 from overflow page	0	0	0
3799. TOTALS (Lines 3701 through 3703 plus 3798) (Line 37 above)	0	0	0

STATEMENT AS OF MARCH 31, 2014 OF THE GRANGE INSURANCE COMPANY OF MICHIGAN

CASH FLOW

	1 Current Year To Date	2 Prior Year To Date	3 Prior Year Ended December 31
<b>Cash from Operations</b>			
1. Premiums collected net of reinsurance.....	7,367,273	6,707,692	28,252,108
2. Net investment income.....	432,329	355,343	2,075,348
3. Miscellaneous income.....	381,747	441,408	1,756,625
4. Total (Lines 1 to 3).....	8,181,349	7,504,443	32,084,081
5. Benefit and loss related payments.....	3,204,234	3,786,639	16,942,319
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts.....	0	0	0
7. Commissions, expenses paid and aggregate write-ins for deductions.....	3,763,579	3,342,152	11,864,611
8. Dividends paid to policyholders.....	24,213	19,597	78,599
9. Federal and foreign income taxes paid (recovered) net of \$ 7,154 tax on capital gains (losses).....	1,114,718	986,919	986,919
10. Total (Lines 5 through 9).....	8,106,744	8,135,306	29,872,448
11. Net cash from operations (Line 4 minus Line 10).....	74,605	(630,864)	2,211,633
<b>Cash from Investments</b>			
12. Proceeds from investments sold, matured or repaid:			
12.1 Bonds.....	1,711,833	1,102,256	5,763,389
12.2 Stocks.....	0	0	0
12.3 Mortgage loans.....	0	0	0
12.4 Real estate.....	0	0	0
12.5 Other invested assets.....	0	0	0
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments.....	0	0	0
12.7 Miscellaneous proceeds.....	0	0	0
12.8 Total investment proceeds (Lines 12.1 to 12.7).....	1,711,833	1,102,256	5,763,389
13. Cost of investments acquired (long-term only):			
13.1 Bonds.....	1,035,831	1,824,073	9,492,039
13.2 Stocks.....	0	0	0
13.3 Mortgage loans.....	0	0	0
13.4 Real estate.....	0	0	0
13.5 Other invested assets.....	0	0	0
13.6 Miscellaneous applications.....	0	0	0
13.7 Total investments acquired (Lines 13.1 to 13.6).....	1,035,831	1,824,073	9,492,039
14. Net increase (or decrease) in contract loans and premium notes.....	0	0	0
15. Net cash from investments (Line 12.8 minus Line 13.7 and Line 14).....	676,002	(721,817)	(3,728,650)
<b>Cash from Financing and Miscellaneous Sources</b>			
16. Cash provided (applied):			
16.1 Surplus notes, capital notes.....	0	0	0
16.2 Capital and paid in surplus, less treasury stock.....	0	0	0
16.3 Borrowed funds.....	0	0	0
16.4 Net deposits on deposit-type contracts and other insurance liabilities.....	0	0	0
16.5 Dividends to stockholders.....	0	0	0
16.6 Other cash provided (applied).....	61,834	1,604,374	1,896,599
17. Net cash from financing and miscellaneous sources (Line 16.1 through Line 16.4 minus Line 16.5 plus Line 16.6).....	61,834	1,604,374	1,896,599
<b>RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS</b>			
18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17).....	812,441	251,693	379,582
19. Cash, cash equivalents and short-term investments:			
19.1 Beginning of year.....	919,533	539,951	539,951
19.2 End of period (Line 18 plus Line 19.1).....	1,731,974	791,645	919,533

**STATEMENT AS OF MARCH 31, 2014 OF THE  
GRANGE INSURANCE COMPANY OF MICHIGAN**

**NOTES TO FINANCIAL STATEMENTS**

1. SUMMARY OF SIGNIFICANT ACCOUNT POLICIES

- A. The Company prepares its statutory financial statements in conformity with accounting practices prescribed or permitted by the State of Ohio. The State of Ohio requires that insurance companies domiciled in the State prepare their statutory basis financial statements in accordance with the NAIC Accounting Practices and Procedures manual subject to any deviations prescribed or permitted by the State of Ohio insurance commissioner. The Company does not employ accounting practices that depart from the NAIC Accounting Practices and Procedures Manual.

2. ACCOUNTING CHANGES AND CORRECTIONS OF ERRORS

NONE

3. BUSINESS COMBINATIONS AND GOODWILL

NONE

4. DISCONTINUED OPERATIONS

NO CHANGE

5. INVESTMENTS

D. Loan-Backed Securities

- 1) Prepayment assumptions for single class and multi-class mortgage-backed/asset-backed securities were obtained from Hub Data and Bloomberg. These assumptions are consistent with the current interest rate and economic environment.
- 2) NONE
- 3) NONE
- 4) Impaired securities (fair value is less than cost or amortized cost) for which an other-than-temporary impairment has not been recognized in earnings as a realized loss (including securities with a recognized other-than-temporary impairment for non-interest related declines when a non-recognized interest related impairment remains):

a.

Aggregate Amount of Unrealized Losses:

1	Less than 12 Months	(65,703)
2	Greater than 12 Months	(50,928)

b.

The Aggregate Related Fair Value of Securities with Unrealized Losses:

1	Less than 12 Months	3,160,314
2	Greater than 12 Months	1,019,950

5. According to SSAP 43R, loan-backed and structured securities with an unrealized loss position were reviewed for impairment. The best estimate of future cash flows using the appropriate discount rate was calculated for each affected security, with other-than-temporary impairments realized to the extent that present value was less than amortized cost. Securities with a present value greater than amortized cost were not other-than-temporarily impaired.

E. REPURCHASE AGREEMENTS AND SECURITIES LENDING TRANSACTIONS

NONE

I. WORKING CAPITAL FINANCE INVESTMENTS

The Company has no working capital finance investments.

6. JOINT VENTURES, PARTNERSHIPS AND LIMITED LIABILITY COMPANIES

NO CHANGE

7. INVESTMENT INCOME

NO CHANGE

8. DERIVATIVE INSTRUMENTS

NONE

9. FEDERAL INCOME TAXES

- A. The components of the net deferred tax assets at March 31, 2014 and December 31, 2013 are as follows:

	March 31, 2014	December 31, 2013
Gross Deferred Tax Assets	\$ 1,129,308	\$ 1,099,366
Gross Deferred Tax Liabilities	63,891	61,453
Net Deferred Tax Asset (Liability)	1,065,417	1,037,913
Nonadmitted Deferred Tax Assets	5,273	-
Admitted Deferred Tax Asset	1,060,145	1,037,913
(Increase) Decrease in Deferred Tax Assets Nonadmitted	\$ (5,273)	\$ (7,816)

- B. The Company has no deferred tax liabilities that are not recognized

- C. Current income taxes incurred consist of the following major components:

	March 31, 2014	December 31, 2013
Current Income Tax Expense	\$ 223,497	\$ 1,090,108
Tax on Capital Gains/(Losses)	7,154	24,707
Prior Year Under Accrual (Over Accrual)	0	(98)
Federal Income Taxes Incurred	\$ 230,651	\$ 1,114,717

10. INFORMATION CONCERNING PARENT, SUBSIDIARIES AND AFFILIATES

NO CHANGE

11. DEBT

- B. FHLB  
NONE

**STATEMENT AS OF MARCH 31, 2014 OF THE  
GRANGE INSURANCE COMPANY OF MICHIGAN**

**NOTES TO FINANCIAL STATEMENTS**

12. RETIREMENT PLANS, DEFERRED COMPENSATION, AND POSTRETIREMENT BENEFIT PLANS  
No Pension, Postretirement or Postemployment and Compensated Absence Benefit Plans

13. CAPITAL AND SURPLUS, DIVIDEND RESTRICTIONS AND QUSAI-REORGANIZATIONS  
NO CHANGE

14. CONTINGENCIES  
NO CHANGE

15. LEASES  
NO CHANGE

16. INFORMATION ABOUT FINANCIAL INSTRUMENTS WITH OFF-BALANCE SHEET RISK AND FINANCIAL INSTRUMENTS WITH CONCENTRATION OF CREDIT RISK.  
NONE

17. SALE, TRANSFER AND SERVICING OF FINANCIAL ASSETS AND EXTINGUISHMENTS OF LIABILITIES

B. Transfer and Servicing of Financial Assets

2. For all servicing assets and servicing liabilities:

b) None

4. For securitizations, asset-backed financing arrangements and similar transfers accounted for as sales when the transferor has continuing involvement (as defined in the Accounting Practices and Procedures Manual) with the transferred financial assets:

a) None

b) None

C. Wash Sales

None

18. GAINS OR LOSS TO THE REPORTING ENTITY FROM UNINSURED A&H PLANS AND THE UNINSURED PORTION OF PARTIALLY INSURED PLANS.

NONE

19. DIRECT PREMIUM WRITTEN / PRODUCED BY MANAGING GENERAL AGENTS / THIRD PARTY ADMINISTRATORS

NONE

20. FAIR VALUE MEASUREMENTS

A.

1. NONE

2. NONE

3. The Company's policy is to recognize transfers in and out as of the end of the reporting period.

4. As of March 31, 2014, the reported fair value of the entity's investments categorized within Level 2 and Level 3 of the fair value hierarchy are as follows:

According to statutory accounting rules, fixed income securities with a rating of NAIC 1 or 2 are reported at amortized cost. Securities with a rating of NAIC 3 thru 6, or non-investment grade ratings, are measured and reported at the lower of amortized cost or fair value on the statement of financial position. As of March 31, 2014, the Company did not have any bonds rated NAIC 3 thru 6, and therefore did not report any securities at fair value.

B. Not Required

C.

Type of Financial Instrument	Aggregate Fair Value	Admitted Assets	Level 1	Level 2	Level 3	Not Practicable (CV)
Bonds	53,418,016	51,206,624	6,277,880	47,140,136	0	0
Common Stock	0	0	0	0	0	0
Perpetual Preferred	0	0	0	0	0	0
Mortgage Loans	0	0	0	0	0	0
Money Market	0	0	0	0	0	0
Total	<u>53,418,016</u>	<u>51,206,624</u>	<u>6,277,880</u>	<u>47,140,136</u>	<u>0</u>	<u>0</u>

D. NONE

21. OTHER ITEMS

G. Offsetting and Netting of Assets and Liabilities

NONE

I. Risk Sharing Provisions of the Affordable Care Act (ACA)

NONE

22. EVENTS SUBSEQUENT

NO CHANGE

23. REINSURANCE

NO CHANGE

24. RETROSPECTIVELY RATED CONTRACTS & CONTRACTS SUBJECT TO REDETERMINATION

NONE

**STATEMENT AS OF MARCH 31, 2014 OF THE  
GRANGE INSURANCE COMPANY OF MICHIGAN**

**NOTES TO FINANCIAL STATEMENTS**

25. CHANGES IN INCURRED LOSSES AND LOSS ADJUSTMENT EXPENSES

Reserves for incurred losses and loss adjustment expenses attributable to insured events of prior years has increased (decreased) by \$(0.047) million from \$22.489 million in 2013 to \$22.442 million in 2014 as a result of re-estimation of unpaid losses and loss adjustment expenses principally on private passenger auto liability and homeowners lines of insurance. This increase (decrease) is generally the result of ongoing analysis of recent loss development trends. Original estimates are increased or decreased as additional information becomes known regarding individual claims. Included in this increase (decrease), the Company experienced \$0 million of unfavorable (favorable) prior year loss development on retrospectively rated policies. However, since the business to which it relates is subject to premium adjustments, there was no significant impact on surplus.

LOSSES AND LAE	March 31, 2014	December 31, 2013
BALANCE JANUARY 1	22,489,065	20,058,574
LESS REINSURANCE RECOVERABLES	<u>8,847,891</u>	<u>7,383,766</u>
NET BALANCE JANUARY 1	<u>13,641,174</u>	<u>12,674,808</u>
INCURRED RELATED TO:		
CURRENT YEAR	4,996,193	19,061,580
PRIOR YEAR	<u>(47,457)</u>	<u>(557,825)</u>
TOTAL INCURRED	<u>4,948,736</u>	<u>18,503,755</u>
PAID RELATED TO:		
CURRENT YEAR	2,666,948	11,858,555
PRIOR YEAR	<u>2,315,220</u>	<u>5,678,834</u>
TOTAL PAID	<u>4,982,168</u>	<u>17,537,389</u>
NET BALANCE AT DECEMBER 31	13,607,741	13,641,174
PLUS REINSURANCE RECOVERABLES	<u>8,733,018</u>	<u>8,847,891</u>
BALANCE AT DECEMBER 31	<u><u>22,340,759</u></u>	<u><u>22,489,065</u></u>

26. INTERCOMPANY POOLING AGREEMENTS  
NO CHANGE.

27. STRUCTURED SETTLEMENTS  
NO CHANGE.

28. HEALTH CARE RECEIVABLES  
NONE

29. PARTICIPATING POLICIES  
NONE

30. PREMIUM DEFICIENCY RESERVES  
NO CHANGE

31. HIGH DEDUCTIBLES  
NONE

32. DISCOUNTING OF LIABILITIES FOR UNPAID LOSSES OR UNPAID LOSS ADJUSTMENT EXPENSES  
NONE

33. ASBESTOS/ENVIRONMENTAL RESERVES  
NONE

34. SUBSCRIBER SAVINGS ACCOUNTS  
NOT APPLICABLE

35. MULTIPLE PERIL CROP INSURANCE  
NONE

36. FINANCIAL GUARANTY INSURANCE  
No Financial Guaranty Insurance

37. CATASTROPHIC PLANNING  
NO CHANGE

# GENERAL INTERROGATORIES

## PART 1 - COMMON INTERROGATORIES GENERAL

- 1.1 Did the reporting entity experience any material transactions requiring the filing of Disclosure of Material Transactions with the State of Domicile, as required by the Model Act? ..... Yes [ ] No [X]
- 1.2 If yes, has the report been filed with the domiciliary state? ..... Yes [ ] No [ ]
- 2.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity? ..... Yes [ ] No [X]
- 2.2 If yes, date of change: .....01/01/3000
- 3.1 Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer? ..... Yes [X] No [ ]  
If yes, complete Schedule Y, Parts 1 and 1A.
- 3.2 Have there been any substantial changes in the organizational chart since the prior quarter end? ..... Yes [ ] No [X]
- 3.3 If the response to 3.2 is yes, provide a brief description of those changes.  
.....
- 4.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? ..... Yes [ ] No [X]
- 4.2 If yes, provide the name of entity, NAIC Company Code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

1 Name of Entity	2 NAIC Company Code	3 State of Domicile

5. If the reporting entity is subject to a management agreement, including third-party administrator(s), managing general agent(s), attorney-in-fact, or similar agreement, have there been any significant changes regarding the terms of the agreement or principals involved? ..... Yes [ ] No [X] NA [ ]  
If yes, attach an explanation.
- 6.1 State as of what date the latest financial examination of the reporting entity was made or is being made. ....12/31/2009
- 6.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released. ....12/31/2009
- 6.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date). ....10/25/2010
- 6.4 By what department or departments?  
Ohio.....
- 6.5 Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with Departments? ..... Yes [ ] No [ ] NA [X]
- 6.6 Have all of the recommendations within the latest financial examination report been complied with? ..... Yes [X] No [ ] NA [ ]
- 7.1 Has this reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period? ..... Yes [ ] No [X]
- 7.2 If yes, give full information:  
.....
- 8.1 Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board?..... Yes [ ] No [X]
- 8.2 If response to 8.1 is yes, please identify the name of the bank holding company.  
.....
- 8.3 Is the company affiliated with one or more banks, thrifts or securities firms?..... Yes [ ] No [X]
- 8.4 If response to 8.3 is yes, please provide below the names and location (city and state of the main office) of any affiliates regulated by a federal regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.]

1 Affiliate Name	2 Location (City, State)	3 FRB	4 OCC	5 FDIC	6 SEC

## GENERAL INTERROGATORIES

- 9.1 Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards? ..... Yes  No
- (a) Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
- (b) Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;
- (c) Compliance with applicable governmental laws, rules and regulations;
- (d) The prompt internal reporting of violations to an appropriate person or persons identified in the code; and
- (e) Accountability for adherence to the code.

9.11 If the response to 9.1 is No, please explain:  
.....

- 9.2 Has the code of ethics for senior managers been amended? ..... Yes  No

9.21 If the response to 9.2 is Yes, provide information related to amendment(s).  
.....

- 9.3 Have any provisions of the code of ethics been waived for any of the specified officers? ..... Yes  No

9.31 If the response to 9.3 is Yes, provide the nature of any waiver(s).  
.....

### FINANCIAL

- 10.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement? ..... Yes  No

10.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount: ..... \$ .....0

### INVESTMENT

- 11.1 Were any of the stocks, bonds, or other assets of the reporting entity loaned, placed under option agreement, or otherwise made available for use by another person? (Exclude securities under securities lending agreements.) ..... Yes  No

11.2 If yes, give full and complete information relating thereto:  
.....

12. Amount of real estate and mortgages held in other invested assets in Schedule BA: ..... \$ .....0

13. Amount of real estate and mortgages held in short-term investments: ..... \$ .....0

- 14.1 Does the reporting entity have any investments in parent, subsidiaries and affiliates? ..... Yes  No

14.2 If yes, please complete the following:

	1 Prior Year-End Book/Adjusted Carrying Value	2 Current Quarter Book/Adjusted Carrying Value
14.21 Bonds .....	\$ .....	\$ .....
14.22 Preferred Stock .....	\$ .....	\$ .....
14.23 Common Stock .....	\$ .....	\$ .....
14.24 Short-Term Investments .....	\$ .....	\$ .....
14.25 Mortgage Loans on Real Estate .....	\$ .....	\$ .....
14.26 All Other .....	\$ .....	\$ .....
14.27 Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 14.21 to 14.26).....	\$ .....0	\$ .....0
14.28 Total Investment in Parent included in Lines 14.21 to 14.26 above .....	\$ .....	\$ .....

- 15.1 Has the reporting entity entered into any hedging transactions reported on Schedule DB? ..... Yes  No

- 15.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? ..... Yes  No

If no, attach a description with this statement.

## GENERAL INTERROGATORIES

- 16 For the reporting entity's security lending program, state the amount of the following as of the current statement date:
- |  |          |
|--|----------|
| 16.1 Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2                   | \$.....0 |
| 16.2 Total book adjusted/carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2 | \$.....0 |
| 16.3 Total payable for securities lending reported on the liability page                                       | \$.....0 |

17. Excluding items in Schedule E – Part 3 – Special Deposits, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Section 1, III – General Examination Considerations, F. Outsourcing of Critical Functions, Custodial or Safekeeping Agreements of the NAIC *Financial Condition Examiners Handbook*? ..... Yes  No

17.1 For all agreements that comply with the requirements of the NAIC *Financial Condition Examiners Handbook*, complete the following:

1 Name of Custodian(s)	2 Custodian Address
JP Morgan Chase Bank, N.A.....	1111 Polaris Parkway, Columbus, OH 43240.....

17.2 For all agreements that do not comply with the requirements of the NAIC *Financial Condition Examiners Handbook*, provide the name, location and a complete explanation:

1 Name(s)	2 Location(s)	3 Complete Explanation(s)

17.3 Have there been any changes, including name changes, in the custodian(s) identified in 17.1 during the current quarter? ..... Yes  No

17.4 If yes, give full and complete information relating thereto:

1 Old Custodian	2 New Custodian	3 Date of Change	4 Reason

17.5 Identify all investment advisors, broker/dealers or individuals acting on behalf of broker/dealers that have access to the investment accounts, handle securities and have authority to make investments on behalf of the reporting entity:

1 Central Registration Depository	2 Name(s)	3 Address

18.1 Have all the filing requirements of the *Purposes and Procedures Manual* of the NAIC Securities Valuation Office been followed? ..... Yes  No

18.2 If no, list exceptions:  
.....





STATEMENT AS OF MARCH 31, 2014 OF THE GRANGE INSURANCE COMPANY OF MICHIGAN

**SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN**

Current Year to Date - Allocated by States and Territories

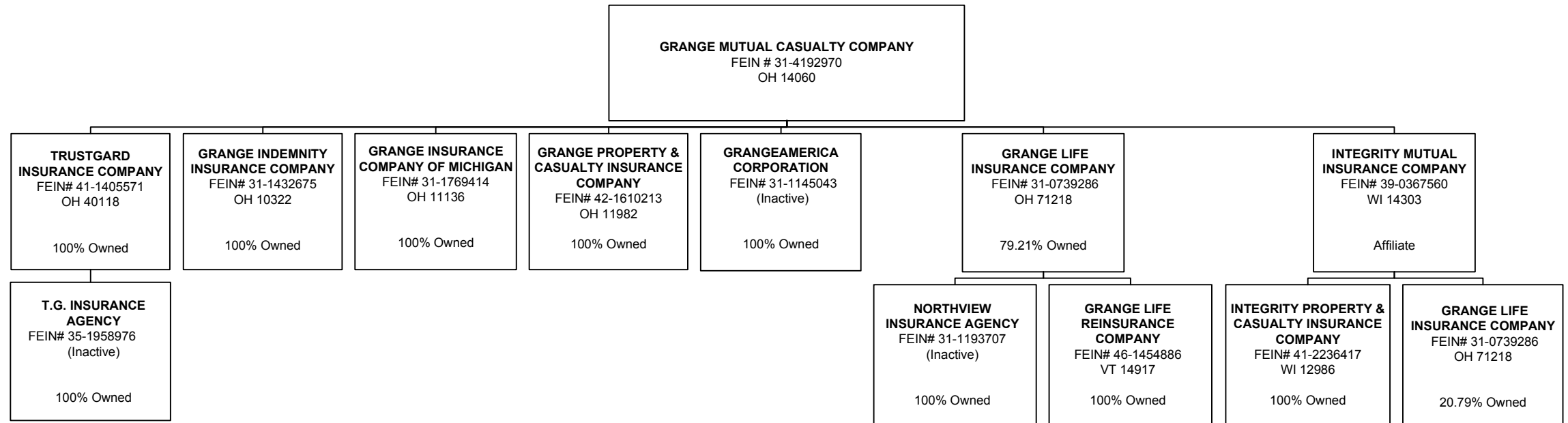
States, etc.	1 Active Status	Direct Premiums Written		Direct Losses Paid (Deducting Salvage)		Direct Losses Unpaid		
		2 Current Year To Date	3 Prior Year To Date	4 Current Year To Date	5 Prior Year To Date	6 Current Year To Date	7 Prior Year To Date	
1. Alabama	AL	N	0	0	0	0	0	
2. Alaska	AK	N	0	0	0	0	0	
3. Arizona	AZ	N	0	0	0	0	0	
4. Arkansas	AR	N	0	0	0	0	0	
5. California	CA	N	0	0	0	0	0	
6. Colorado	CO	N	0	0	0	0	0	
7. Connecticut	CT	N	0	0	0	0	0	
8. Delaware	DE	N	0	0	0	0	0	
9. Dist. Columbia	DC	N	0	0	0	0	0	
10. Florida	FL	N	0	0	0	0	0	
11. Georgia	GA	N	0	0	0	0	0	
12. Hawaii	HI	N	0	0	0	0	0	
13. Idaho	ID	N	0	0	0	0	0	
14. Illinois	IL	N	0	0	0	0	0	
15. Indiana	IN	N	0	0	0	0	0	
16. Iowa	IA	N	0	0	0	0	0	
17. Kansas	KS	N	0	0	0	0	0	
18. Kentucky	KY	N	0	0	0	0	0	
19. Louisiana	LA	N	0	0	0	0	0	
20. Maine	ME	N	0	0	0	0	0	
21. Maryland	MD	N	0	0	0	0	0	
22. Massachusetts	MA	N	0	0	0	0	0	
23. Michigan	MI	L	25,782,537	26,283,444	15,876,133	14,041,769	355,008,327	355,502,275
24. Minnesota	MN	N	0	0	0	0	0	0
25. Mississippi	MS	N	0	0	0	0	0	0
26. Missouri	MO	N	0	0	0	0	0	0
27. Montana	MT	N	0	0	0	0	0	0
28. Nebraska	NE	N	0	0	0	0	0	0
29. Nevada	NV	N	0	0	0	0	0	0
30. New Hampshire	NH	N	0	0	0	0	0	0
31. New Jersey	NJ	N	0	0	0	0	0	0
32. New Mexico	NM	N	0	0	0	0	0	0
33. New York	NY	N	0	0	0	0	0	0
34. No. Carolina	NC	N	0	0	0	0	0	0
35. No. Dakota	ND	N	0	0	0	0	0	0
36. Ohio	OH	L	0	0	0	0	0	0
37. Oklahoma	OK	N	0	0	0	0	0	0
38. Oregon	OR	N	0	0	0	0	0	0
39. Pennsylvania	PA	N	0	0	0	0	0	0
40. Rhode Island	RI	N	0	0	0	0	0	0
41. So. Carolina	SC	N	0	0	0	0	0	0
42. So. Dakota	SD	N	0	0	0	0	0	0
43. Tennessee	TN	N	0	0	0	0	0	0
44. Texas	TX	N	0	0	0	0	0	0
45. Utah	UT	N	0	0	0	0	0	0
46. Vermont	VT	N	0	0	0	0	0	0
47. Virginia	VA	N	0	0	0	0	0	0
48. Washington	WA	N	0	0	0	0	0	0
49. West Virginia	WV	N	0	0	0	0	0	0
50. Wisconsin	WI	N	0	0	0	0	0	0
51. Wyoming	WY	N	0	0	0	0	0	0
52. American Samoa	AS	N	0	0	0	0	0	0
53. Guam	GU	N	0	0	0	0	0	0
54. Puerto Rico	PR	N	0	0	0	0	0	0
55. U.S. Virgin Islands	VI	N	0	0	0	0	0	0
56. Northern Mariana Islands	MP	N	0	0	0	0	0	0
57. Canada	CAN	N	0	0	0	0	0	0
58. Aggregate Other Alien	OT	XXX	0	0	0	0	0	0
59. Totals	(a) 2		25,782,537	26,283,444	15,876,133	14,041,769	355,008,327	355,502,275
<b>DETAILS OF WRITE-INS</b>								
58001.	XXX							
58002.	XXX							
58003.	XXX							
58998. Summary of remaining write-ins for Line 58 from overflow page.	XXX		0	0	0	0	0	0
58999. TOTALS (Lines 58001 through 58003 plus 58998) (Line 58 above)	XXX		0	0	0	0	0	0

(L) Licensed or Chartered - Licensed Insurance Carrier or Domiciled RRG; (R) Registered - Non-domiciled RRGs; (Q) Qualified - Qualified or Accredited Reinsurer; (E) Eligible - Reporting Entities eligible or approved to write Surplus Lines in the state; (N) None of the above - Not allowed to write business in the state.

(a) Insert the number of L responses except for Canada and Other Alien.

**SCHEDULE Y – INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP**

**PART 1 – ORGANIZATIONAL CHART**



STATEMENT AS OF MARCH 31, 2014 OF THE GRANGE INSURANCE COMPANY OF MICHIGAN

**SCHEDULE Y**  
**PART 1A – DETAIL OF INSURANCE HOLDING COMPANY SYSTEM**

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Group Code	Group Name	NAIC Company Code	Federal ID Number	Federal RSSD	CIK	Name of Securities Exchange if Publicly Traded (U.S. or International)	Name of Parent Subsidiaries or Affiliates	Domiciliary Location	Relationship to Reporting Entity	Directly Controlled by (Name of Entity/Person)	Type of Control (Ownership, Board, Management, Attorney-in-Fact, Influence, Other)	If Control is Ownership Provide Percentage	Ultimate Controlling Entity(ies)/ Person(s)	*
00267	GRANGE MUTUAL CASUALTY GROUP	14060	31-4192970				GRANGE MUTUAL CASUALTY COMPANY	.OH	UDP	GRANGE MUTUAL CASUALTY COMPANY	BOARD	.0	GRANGE MUTUAL CASUALTY COMPANY	.0
00267	GRANGE MUTUAL CASUALTY GROUP	71218	31-0739286				GRANGE LIFE INSURANCE COMPANY	.OH	IA	GRANGE MUTUAL CASUALTY COMPANY	OWNERSHIP	.79.2	GRANGE MUTUAL CASUALTY COMPANY	.0
00267	GRANGE MUTUAL CASUALTY GROUP	71218	31-0739286				GRANGE LIFE INSURANCE COMPANY	.OH	IA	INTEGRITY MUTUAL INSURANCE COMPANY	OWNERSHIP	.20.8	GRANGE MUTUAL CASUALTY COMPANY	.0
00267	GRANGE MUTUAL CASUALTY GROUP	40118	41-1405571				TRUSTGARD INSURANCE COMPANY	.OH	IA	GRANGE MUTUAL CASUALTY COMPANY	OWNERSHIP	.100.0	GRANGE MUTUAL CASUALTY COMPANY	.0
00267	GRANGE MUTUAL CASUALTY GROUP	10322	31-1432675				GRANGE INDEMNITY INSURANCE COMPANY	.OH	IA	GRANGE MUTUAL CASUALTY COMPANY	OWNERSHIP	.100.0	GRANGE MUTUAL CASUALTY COMPANY	.0
00267	GRANGE MUTUAL CASUALTY GROUP	11136	31-1769414				GRANGE INSURANCE COMPANY OF MICHIGAN	.OH	RE	GRANGE MUTUAL CASUALTY COMPANY	OWNERSHIP	.100.0	GRANGE MUTUAL CASUALTY COMPANY	.0
00267	GRANGE MUTUAL CASUALTY GROUP	14303	39-0367560				INTEGRITY MUTUAL INSURANCE COMPANY	.WI	IA	GRANGE MUTUAL CASUALTY COMPANY	BOARD	.0	GRANGE MUTUAL CASUALTY COMPANY	.0
00267	GRANGE MUTUAL CASUALTY GROUP	11982	42-1610213				GRANGE PROPERTY & CASUALTY INSURANCE COMPANY	.OH	IA	GRANGE MUTUAL CASUALTY COMPANY	OWNERSHIP	.100.0	GRANGE MUTUAL CASUALTY COMPANY	.0
00267	GRANGE MUTUAL CASUALTY GROUP	12986	41-2236417				INTEGRITY PROPERTY & CASUALTY INSURANCE COMPANY	.WI	IA	INTEGRITY MUTUAL INSURANCE COMPANY	OWNERSHIP	.100.0	GRANGE MUTUAL CASUALTY COMPANY	.0
00267	GRANGE MUTUAL CASUALTY GROUP	14917	46-1454886				GRANGE LIFE REINSURANCE COMPANY	.VT	IA	GRANGE LIFE INSURANCE COMPANY	OWNERSHIP	.100.0	GRANGE MUTUAL CASUALTY COMPANY	.0
		00000	31-1145043				GRANGEAMERICA	.OH	NIA	GRANGE MUTUAL CASUALTY COMPANY	OWNERSHIP	.100.0	GRANGE MUTUAL CASUALTY COMPANY	.0
		00000	31-1193707				NORTHVIEW INSURANCE AGENCY	.OH	NIA	GRANGE LIFE INSURANCE COMPANY	OWNERSHIP	.100.0	GRANGE MUTUAL CASUALTY COMPANY	.0
		00000	35-1958976				T.G. INSURANCE AGENCY	.OH	NIA	TRUSTGARD INSURANCE COMPANY	OWNERSHIP	.100.0	GRANGE MUTUAL CASUALTY COMPANY	.0

12

Asterisk	Explanation

**PART 1 - LOSS EXPERIENCE**

Line of Business	Current Year to Date			4 Prior Year to Date Direct Loss Percentage
	1 Direct Premiums Earned	2 Direct Losses Incurred	3 Direct Loss Percentage	
1. Fire	193,076	276,821	143.4	38.4
2. Allied lines	113,452	69,190	61.0	18.4
3. Farmowners multiple peril	117,788	(7,428)	(6.3)	(76.7)
4. Homeowners multiple peril	6,855,505	6,659,662	97.1	68.8
5. Commercial multiple peril	2,445,400	3,480,598	142.3	71.6
6. Mortgage guaranty			0.0	0.0
8. Ocean marine			0.0	0.0
9. Inland marine	154,865	89,243	57.6	73.1
10. Financial guaranty			0.0	0.0
11.1 Medical professional liability -occurrence			0.0	0.0
11.2 Medical professional liability -claims made			0.0	0.0
12. Earthquake	1,511		0.0	0.0
13. Group accident and health			0.0	0.0
14. Credit accident and health			0.0	0.0
15. Other accident and health			0.0	0.0
16. Workers' compensation	254,885	134,942	52.9	58.2
17.1 Other liability occurrence	177,140	38,464	21.7	1.5
17.2 Other liability-claims made	74	9	12.1	2.7
17.3 Excess Workers' Compensation			0.0	0.0
18.1 Products liability-occurrence	3	(34)	(994.7)	(151.1)
18.2 Products liability-claims made			0.0	0.0
19.1,19.2 Private passenger auto liability	8,644,942	(435,606)	(5.0)	679.2
19.3,19.4 Commercial auto liability	1,895,011	938,007	49.5	33.0
21. Auto physical damage	5,479,088	4,144,544	75.6	70.5
22. Aircraft (all perils)			0.0	0.0
23. Fidelity			0.0	0.0
24. Surety			0.0	0.0
26. Burglary and theft	109	4	3.9	0.0
27. Boiler and machinery			0.0	0.0
28. Credit			0.0	0.0
29. International			0.0	0.0
30. Warranty			0.0	0.0
31. Reinsurance - Nonproportional Assumed Property	XXX	XXX	XXX	XXX
32. Reinsurance - Nonproportional Assumed Liability	XXX	XXX	XXX	XXX
33. Reinsurance - Nonproportional Assumed Financial Lines	XXX	XXX	XXX	XXX
34. Aggregate write-ins for other lines of business	0	0	0.0	0.0
35. TOTALS	26,332,849	15,388,417	58.4	291.4
<b>DETAILS OF WRITE-INS</b>				
3401.			0.0	0.0
3402.			0.0	0.0
3403.			0.0	0.0
3498. Sum. of remaining write-ins for Line 34 from overflow page	0	0	0.0	0.0
3499. Totals (Lines 3401 through 3403 plus 3498) (Line 34)	0	0	0.0	0.0

**PART 2 - DIRECT PREMIUMS WRITTEN**

Line of Business	1	2	3
	Current Quarter	Current Year to Date	Prior Year Year to Date
1. Fire	184,907	184,907	189,057
2. Allied lines	100,109	100,109	110,497
3. Farmowners multiple peril	83,627	83,627	59,902
4. Homeowners multiple peril	5,952,083	5,952,083	5,597,102
5. Commercial multiple peril	2,615,691	2,615,691	2,634,687
6. Mortgage guaranty	0	0	0
8. Ocean marine	0	0	0
9. Inland marine	126,434	126,434	133,193
10. Financial guaranty	0	0	0
11.1 Medical professional liability-occurrence	0	0	0
11.2 Medical professional liability-claims made	0	0	0
12. Earthquake	1,568	1,568	1,512
13. Group accident and health	0	0	0
14. Credit accident and health	0	0	0
15. Other accident and health	0	0	0
16. Workers' compensation	714,033	714,033	577,569
17.1 Other liability occurrence	174,030	174,030	233,341
17.2 Other liability-claims made	0	0	0
17.3 Excess Workers' Compensation	0	0	0
18.1 Products liability-occurrence	11	11	(195)
18.2 Products liability-claims made	0	0	0
19.1,19.2 Private passenger auto liability	8,287,215	8,287,215	9,133,328
19.3,19.4 Commercial auto liability	2,173,326	2,173,326	1,812,990
21. Auto physical damage	5,369,504	5,369,504	5,800,461
22. Aircraft (all perils)	0	0	0
23. Fidelity	0	0	0
24. Surety	0	0	0
26. Burglary and theft	0	0	0
27. Boiler and machinery	0	0	0
28. Credit	0	0	0
29. International	0	0	0
30. Warranty	0	0	0
31. Reinsurance - Nonproportional Assumed Property	XXX	XXX	XXX
32. Reinsurance - Nonproportional Assumed Liability	XXX	XXX	XXX
33. Reinsurance - Nonproportional Assumed Financial Lines	XXX	XXX	XXX
34. Aggregate write-ins for other lines of business	0	0	0
35. TOTALS	25,782,537	25,782,537	26,283,444
<b>DETAILS OF WRITE-INS</b>			
3401.	0	0	0
3402.	0	0	0
3403.	0	0	0
3498. Sum. of remaining write-ins for Line 34 from overflow page	0	0	0
3499. Totals (Lines 3401 through 3403 plus 3498) (Line 34)	0	0	0

STATEMENT AS OF MARCH 31, 2014 OF THE GRANGE INSURANCE COMPANY OF MICHIGAN

PART 3 (000 omitted)

LOSS AND LOSS ADJUSTMENT EXPENSE RESERVES SCHEDULE

	1	2	3	4	5	6	7	8	9	10	11	12	13
Years in Which Losses Occurred	Prior Year-End Known Case Loss and LAE Reserves	Prior Year-End IBNR Loss and LAE Reserves	Total Prior Year-End Loss and LAE Reserves (Cols. 1 + 2)	2014 Loss and LAE Payments on Claims Reported as of Prior Year-End	2014 Loss and LAE Payments on Claims Unreported as of Prior Year-End	Total 2014 Loss and LAE Payments (Cols. 4 + 5)	Q.S. Date Known Case Loss and LAE Reserves on Claims Reported and Open as of Prior Year End	Q.S. Date Known Case Loss and LAE Reserves on Claims Reported or Reopened Subsequent to Prior Year End	Q.S. Date IBNR Loss and LAE Reserves	Total Q.S. Loss and LAE Reserves (Cols.7 + 8 + 9)	Prior Year-End Known Case Loss and LAE Reserves Developed (Savings)/ Deficiency (Cols. 4 + 7 minus Col. 1)	Prior Year-End IBNR Loss and LAE Reserves Developed (Savings)/ Deficiency (Cols. 5 + 8 + 9 minus Col. 2)	Prior Year-End Total Loss and LAE Reserve Developed (Savings)/ Deficiency (Cols. 11 + 12)
1. 2011 + Prior .....	2,203	1,201	3,404	515	29	544	1,831	6	1,011	2,848	143	(155)	(12)
2. 2012 .....	1,583	1,451	3,034	337	28	365	1,352	13	1,294	2,659	106	(116)	(11)
3. Subtotals 2012 + prior .....	3,786	2,652	6,438	852	57	909	3,183	19	2,305	5,507	248	(271)	(22)
4. 2013 .....	3,564	3,639	7,203	1,184	222	1,406	2,663	130	2,978	5,772	283	(308)	(25)
5. Subtotals 2013 + prior .....	7,350	6,291	13,641	2,036	279	2,315	5,846	149	5,283	11,278	532	(579)	(47)
6. 2014 .....	XXX	XXX	XXX	XXX	2,667	2,667	XXX	1,304	1,025	2,329	XXX	XXX	XXX
7. Totals .....	7,350	6,291	13,641	2,036	2,946	4,982	5,846	1,454	6,308	13,608	532	(579)	(47)
8. Prior Year-End Surplus As Regards Policy-holders	35,446												
											Col. 11, Line 7 As % of Col. 1, Line 7	Col. 12, Line 7 As % of Col. 2, Line 7	Col. 13, Line 7 As % of Col. 3, Line 7
											1. 7.2	2. (9.2)	3. (0.3)
													Col. 13, Line 7 Line 8
													4. (0.1)

## SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

The following supplemental reports are required to be filed as part of your statement filing. However, in the event that your company does not transact the type of business for which the special report must be filed, your response of **NO** to the specific interrogatory will be accepted in lieu of filing a "NONE" report and a bar code will be printed below. If the supplement is required of your company but is not being filed for whatever reason enter **SEE EXPLANATION** and provide an explanation following the interrogatory questions.

	<u>Response</u>
1. Will the Trusteed Surplus Statement be filed with the state of domicile and the NAIC with this statement?	.....NO.....
2. Will Supplement A to Schedule T (Medical Professional Liability Supplement) be filed with this statement?	.....NO.....
3. Will the Medicare Part D Coverage Supplement be filed with the state of domicile and the NAIC with this statement?	.....NO.....
4. Will the Director and Officer Insurance Coverage Supplement be filed with the state of domicile and the NAIC with this statement?	.....YES.....

**Explanation:**

- 1.
- 2.
- 3.

**Bar Code:**

1.	 1 1 1 3 6 2 0 1 4 4 9 0 0 0 0 0 1
2.	 1 1 1 3 6 2 0 1 4 4 5 5 0 0 0 0 1
3.	 1 1 1 3 6 2 0 1 4 3 6 5 0 0 0 0 1

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**SCHEDULE A – VERIFICATION**

**Real Estate**

	1 Year To Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year .....	0	0
2. Cost of acquired:		
2.1 Actual cost at time of acquisition .....	0	0
2.2 Additional investment made after acquisition .....	0	0
3. Current year change in encumbrances .....	0	0
4. Total gain (loss) on disposals .....	0	0
5. Deduct amounts received on disposals .....	0	0
6. Total foreign exchange change in book/adjusted carrying value .....	0	0
7. Deduct current year's other-than-temporary impairment recognized .....	0	0
8. Deduct current year's depreciation .....	0	0
9. Book/adjusted carrying value at the end of current period (Lines 1+2+3+4-5+6-7-8) .....	0	0
10. Deduct total nonadmitted amounts .....	0	0
11. Statement value at end of current period (Line 9 minus Line 10)	0	0

NONE

**SCHEDULE B – VERIFICATION**

**Mortgage Loans**

	1 Year To Date	2 Prior Year Ended December 31
1. Book value/recorded investment excluding accrued interest, December 31 of prior year .....	0	0
2. Cost of acquired:		
2.1 Actual cost at time of acquisition .....	0	0
2.2 Additional investment made after acquisition .....	0	0
3. Capitalized deferred interest and other .....	0	0
4. Accrual of discount .....	0	0
5. Unrealized valuation increase (decrease) .....	0	0
6. Total gain (loss) on disposals .....	0	0
7. Deduct amounts received on disposals .....	0	0
8. Deduct amortization of premium and mortgage interest points and commitment fees .....	0	0
9. Total foreign exchange change in book value/recorded investment excluding accrued interest .....	0	0
10. Deduct current year's other-than-temporary impairment recognized .....	0	0
11. Book value/recorded investment excluding accrued interest at end of current period (Lines 1+2+3+4+5+6-7-8+9-10) .....	0	0
12. Total valuation allowance .....	0	0
13. Subtotal (Line 11 plus Line 12) .....	0	0
14. Deduct total nonadmitted amounts .....	0	0
15. Statement value at end of current period (Line 13 minus Line 14)	0	0

NONE

**SCHEDULE BA – VERIFICATION**

**Other Long-Term Invested Assets**

	1 Year To Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year .....	0	0
2. Cost of acquired:		
2.1 Actual cost at time of acquisition .....	0	0
2.2 Additional investment made after acquisition .....	0	0
3. Capitalized deferred interest and other .....	0	0
4. Accrual of discount .....	0	0
5. Unrealized valuation increase (decrease) .....	0	0
6. Total gain (loss) on disposals .....	0	0
7. Deduct amounts received on disposals .....	0	0
8. Deduct amortization of premium and depreciation .....	0	0
9. Total foreign exchange change in book/adjusted carrying value .....	0	0
10. Deduct current year's other-than-temporary impairment recognized .....	0	0
11. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5+6-7+8+9-10) .....	0	0
12. Deduct total nonadmitted amounts .....	0	0
13. Statement value at end of current period (Line 11 minus Line 12)	0	0

NONE

**SCHEDULE D – VERIFICATION**

**Bonds and Stocks**

	1 Year To Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value of bonds and stocks, December 31 of prior year .....	51,975,583	48,580,823
2. Cost of bonds and stocks acquired .....	1,035,831	9,492,039
3. Accrual of discount .....	7,034	43,229
4. Unrealized valuation increase (decrease) .....	0	0
5. Total gain (loss) on disposals .....	20,440	70,590
6. Deduct consideration for bonds and stocks disposed of .....	1,711,833	5,763,389
7. Deduct amortization of premium .....	120,430	447,709
8. Total foreign exchange change in book/adjusted carrying value .....	0	0
9. Deduct current year's other-than-temporary impairment recognized .....	0	0
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9) .....	51,206,625	51,975,583
11. Deduct total nonadmitted amounts .....	0	0
12. Statement value at end of current period (Line 10 minus Line 11)	51,206,625	51,975,583

STATEMENT AS OF MARCH 31, 2014 OF THE GRANGE INSURANCE COMPANY OF MICHIGAN

**SCHEDULE D - PART 1B**

Showing the Acquisitions, Dispositions and Non-Trading Activity  
During the Current Quarter for all Bonds and Preferred Stock by NAIC Designation

NAIC Designation	1 Book/Adjusted Carrying Value Beginning of Current Quarter	2 Acquisitions During Current Quarter	3 Dispositions During Current Quarter	4 Non-Trading Activity During Current Quarter	5 Book/Adjusted Carrying Value End of First Quarter	6 Book/Adjusted Carrying Value End of Second Quarter	7 Book/Adjusted Carrying Value End of Third Quarter	8 Book/Adjusted Carrying Value December 31 Prior Year
<b>BONDS</b>								
1. NAIC 1 (a).....	46,473,196	1,035,831	1,687,722	480,966	46,302,272	0	0	46,473,196
2. NAIC 2 (a).....	5,502,386		3,671	(594,362)	4,904,353	0	0	5,502,386
3. NAIC 3 (a).....	0				0	0	0	0
4. NAIC 4 (a).....	0				0	0	0	0
5. NAIC 5 (a).....	0				0	0	0	0
6. NAIC 6 (a).....	0				0	0	0	0
7. Total Bonds	51,975,583	1,035,831	1,691,394	(113,396)	51,206,624	0	0	51,975,583
<b>PREFERRED STOCK</b>								
8. NAIC 1.....	0				0	0	0	0
9. NAIC 2.....	0				0	0	0	0
10. NAIC 3.....	0				0	0	0	0
11. NAIC 4.....	0				0	0	0	0
12. NAIC 5.....	0				0	0	0	0
13. NAIC 6.....	0				0	0	0	0
14. Total Preferred Stock.....	0	0	0	0	0	0	0	0
15. Total Bonds & Preferred Stock	51,975,583	1,035,831	1,691,394	(113,396)	51,206,624	0	0	51,975,583

(a) Book/Adjusted Carrying Value column for the end of the current reporting period includes the following amount of non-rated short-term and cash equivalent bonds by NAIC designation: NAIC 1 \$ ..... ; NAIC 2 \$ ..... ;  
NAIC 3 \$ ..... ; NAIC 4 \$ ..... ; NAIC 5 \$ ..... ; NAIC 6 \$ .....

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## SCHEDULE DA - PART 1

Short-Term Investments

	1	2	3	4	5
	Book/Adjusted Carrying Value	Par Value	Actual Cost	Interest Collected Year To Date	Paid for Accrued Interest Year To Date
9199999		XXX			

## SCHEDULE DA - VERIFICATION

Short-Term Investments

	1	2
	Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year.....	.0	539,951
2. Cost of short-term investments acquired .....		1,617,162
3. Accrual of discount .....		.0
4. Unrealized valuation increase (decrease).....		.0
5. Total gain (loss) on disposals .....		.0
6. Deduct consideration received on disposals .....		2,157,113
7. Deduct amortization of premium.....		.0
8. Total foreign exchange change in book/adjusted carrying value.....		.0
9. Deduct current year's other-than-temporary impairment recognized.....		.0
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9).....	.0	.0
11. Deduct total nonadmitted amounts.....		.0
12. Statement value at end of current period (Line 10 minus Line 11)	0	0

Schedule DB - Part A - Verification

**NONE**

Schedule DB - Part B - Verification

**NONE**

Schedule DB - Part C - Section 1

**NONE**

Schedule DB - Part C - Section 2

**NONE**

Schedule DB - Verification

**NONE**

Schedule E - Verification

**NONE**

Schedule A - Part 2

**NONE**

Schedule A - Part 3

**NONE**

Schedule B - Part 2

**NONE**

Schedule B - Part 3

**NONE**

Schedule BA - Part 2

**NONE**

Schedule BA - Part 3

**NONE**

STATEMENT AS OF MARCH 31, 2014 OF THE GRANGE INSURANCE COMPANY OF MICHIGAN

**SCHEDULE D - PART 3**

Show All Long-Term Bonds and Stock Acquired During the Current Quarter

1 CUSIP Identification	2 Description	3 Foreign	4 Date Acquired	5 Name of Vendor	6 Number of Shares of Stock	7 Actual Cost	8 Par Value	9 Paid for Accrued Interest and Dividends	10 NAIC Designation or Market Indicator (a)
<b>Bonds - U.S. Governments</b>									
313381-ZE-8	Federal Home Loan Bank Call 1.500% 02/		.03/26/2014	Stifel Nicolaus & Co.		233,988	250,000	365	1
38376Y-FF-3	GNR 2010-46 CH 4.000% 03/20/39		.01/22/2014	Stifel Nicolaus & Co.		251,539	237,546	686	1
38376Y-FF-3	GNR 2010-46 CH 4.000% 03/20/39		.01/22/2014	Stifel Nicolaus & Co.		9,249	8,735	25	1FE
<b>0599999 - Bonds - U.S. Governments</b>						494,776	496,281	1,076	XXX
<b>Bonds - U.S. Special Revenue</b>									
31398N-3X-0	FNR 2010-130 CA 4.500% 05/25/38		.03/12/2014	FICP		541,055	495,812	992	1
<b>3199999 - Bonds - U.S. Special Revenue and Special Assessment and all Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions</b>						541,055	495,812	992	XXX
<b>8399997 - Subtotals - Bonds - Part 3</b>						1,035,831	992,093	2,068	XXX
<b>8399999 - Subtotals - Bonds</b>						1,035,831	992,093	2,068	XXX
<b>9999999 Totals</b>						1,035,831	XXX	2,068	XXX

(a) For all common stock bearing the NAIC market indicator "U" provide: the number of such issues .....

E04

STATEMENT AS OF MARCH 31, 2014 OF THE GRANGE INSURANCE COMPANY OF MICHIGAN

SCHEDULE D - PART 4

Show All Long-Term Bonds and Stock Sold, Redeemed or Otherwise Disposed of During the Current Quarter

1	2	3	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value					16	17	18	19	20	21	22
										11	12	13	14	15							
CUSIP Identification	Description	Foreign	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/Adjusted Carrying Value	Unrealized Valuation Increase/(Decrease)	Current Year's (Amortization)/Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Change in B./A.C.V. (11+12-13)	Total Foreign Exchange Change in B./A.C.V.	Book/Adjusted Carrying Value at Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/Stock Dividends Received During Year	Stated Contractual Maturity Date	NAIC Designation or Market Indicator (a)
<b>Bonds - U.S. Governments</b>																					
38374F-W6-7	GNR 2004-21 PC 5.000%		03/01/2014	Paydown		14,510	14,510	14,315	14,422		.88		.88		14,510			.0	.118	04/20/2033	1
38376Y-FF-3	GNR 2010-46 CH 4.000%		03/01/2014	Paydown		8,735	8,735	9,249		(.515)		(.515)		8,735			.0	.43	03/20/2039	1FE	
38378C-RT-6	GNR 2012-13 EG 2.000%		03/01/2014	Paydown		13,681	13,681	13,837	13,811		(.130)		(.130)		13,681			.0	.46	10/20/2040	1
38378D-VT-9	GNR 2012-36 MA 3.000%		03/01/2014	Paydown		9,990	9,990	10,633	10,568		(.579)		(.579)		9,990			.0	.54	06/20/2039	1
<b>0599999 - Bonds - U.S. Governments</b>						46,916	46,916	48,034	38,801	0	(1,135)	0	(1,135)	0	46,916	0	0	0	261	XXX	XXX
<b>Bonds - U.S. Special Revenue and Special Assessment and all Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions</b>																					
3128P7-RY-1	FG C91403 3.500%		03/01/2014	Paydown		8,397	8,397	9,040	9,017		(.620)		(.620)		8,397			.0	.49	03/01/2032	1
31292H-NB-6	FGLMC Pool #C01286 6.000%		03/01/2014	Paydown		786	786	775	776		.10		.10		786			.0	.8	01/01/2032	1
312962-OG-1	FG B10455 5.000%		03/01/2014	Paydown		46,192	46,192	49,541	48,603		(2,411)		(2,411)		46,192			.0	.384	10/01/2018	1
3136A7-ZV-7	FNR 2012-83 BA 3.500%		03/01/2014	Paydown		3,310	3,310	3,394	3,390		(.81)		(.81)		3,310			.0	.19	03/25/2041	1
313660-PV-7	FNMA Call 1.000%		03/28/2014	Call	100.0000	1,000,000	1,000,000	999,844	999,858		.142		.142		1,000,000			.0	2,500	06/28/2027	1
3137A5-WW-0	FHR 3786 WA 4.000%		03/01/2014	Paydown		20,871	20,871	21,452	21,342		(.471)		(.471)		20,871			.0	.134	12/15/2028	1
3137AG-CA-6	FHR 3947 BC 2.500%		03/01/2014	Paydown		5,298	5,298	5,480	5,442		(.144)		(.144)		5,298			.0	.22	10/15/2026	1
3137AN-JP-1	FHR 4013 WY 3.226%		03/01/2014	Paydown		5,203	5,203	5,349	5,314		(.111)		(.111)		5,203			.0	.28	11/15/2040	1
3138M8-CJ-0	FN AP4572 3.000%		03/01/2014	Paydown		14,883	14,883	15,888	15,820		(.937)		(.937)		14,883			.0	.83	09/01/2027	1
31392E-SX-9	FNR 2002-59 B 5.500%		03/01/2014	Paydown		2,905	2,905	2,956	2,921		(.16)		(.16)		2,905			.0	.26	09/25/2017	1
31392W-UQ-1	FHR 2510 NM 5.000%		03/01/2014	Paydown		4,250	4,250	4,352	4,248		.2		.2		4,250			.0	.36	03/15/2032	1
31393A-GG-6	FNR 2003-28 GA 4.000%		03/01/2014	Paydown		823	823	818	820		.3		.3		823			.0	.6	10/25/2032	1
31395B-D7-5	FNR 2006-22 CE 4.500%		03/01/2014	Paydown		13,598	13,598	13,963	13,760		(.163)		(.163)		13,598			.0	.99	08/25/2023	1
31397Q-WZ-7	FNR 2011-15 VB 4.000%		01/22/2014	Stifel Nicolaus & Co.		256,875	250,000	233,457	236,353		.82		.82		236,435		20,440	20,440	1,556	09/25/2029	1
31397S-ZF-4	FNR 2011-42 VA 4.500%		01/01/2014	Paydown		3,989	3,989	4,222	4,178		(.189)		(.189)		3,989			.0	.15	06/25/2022	1
31398S-SG-9	FNR 2010-136 BA 3.500%		03/01/2014	Paydown		4,015	4,015	4,157	4,111		(.96)		(.96)		4,015			.0	.22	12/25/2030	1
31403D-GZ-6	FNMA Pool 745516 5.500%		03/01/2014	Paydown		2,318	2,318	2,315	2,314		.3		.3		2,318			.0	.20	05/01/2036	1
31418A-KN-7	FN MA1200 3.000%		03/01/2014	Paydown		8,391	8,391	8,928	8,904		(.513)		(.513)		8,391			.0	.41	10/01/2032	1
31419F-EB-8	FN AE4629 4.000%		03/01/2014	Paydown		9,143	9,143	9,589	9,577		(.434)		(.434)		9,143			.0	.67	10/01/2040	1
<b>3199999 - Bonds - U.S. Special Revenue and Special Assessment and all Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions</b>						1,411,247	1,404,372	1,395,521	1,396,749	0	(5,943)	0	(5,943)	0	1,390,807	0	20,440	20,440	5,114	XXX	XXX
<b>Bonds - Industrial and Miscellaneous (Unaffiliated)</b>																					
126650-BQ-2	CVS Corp. PT-NC 6.943%		01/10/2014	Redemption	100.0000	3,671	3,671	3,745	3,732		(.61)		(.61)		3,671			.0	.43	12/10/2029	2FE
581557-AW-5	McKesson Corp. NC 6.500%		02/15/2014	Maturity		250,000	250,000	267,343	250,498		(.498)		(.498)		250,000			.0	8,125	02/15/2014	1FE
<b>3899999 - Bonds - Industrial and Miscellaneous (Unaffiliated)</b>						253,671	253,671	271,087	254,231	0	(599)	0	(599)	0	253,671	0	0	0	8,168	XXX	XXX
<b>8399997 - Subtotals - Bonds - Part 4</b>						1,711,833	1,704,958	1,714,642	1,689,781	0	(7,637)	0	(7,637)	0	1,691,394	0	20,440	20,440	13,543	XXX	XXX
<b>8399999 - Subtotals - Bonds</b>						1,711,833	1,704,958	1,714,642	1,689,781	0	(7,637)	0	(7,637)	0	1,691,394	0	20,440	20,440	13,543	XXX	XXX
<b>9999999 Totals</b>						1,711,833	XXX	1,714,642	1,689,781	0	(7,637)	0	(7,637)	0	1,691,394	0	20,440	20,440	13,543	XXX	XXX

E05

(a) For all common stock bearing the NAIC market indicator "U" provide: the number of such issues

Schedule DB - Part A - Section 1

**NONE**

Schedule DB - Part B - Section 1

**NONE**

Schedule DB - Part D - Section 1

**NONE**

Schedule DB - Part D - Section 2

**NONE**

Schedule DL - Part 1

**NONE**

Schedule DL - Part 2

**NONE**



**SCHEDULE E - PART 2 - CASH EQUIVALENTS**

Show Investments Owned End of Current Quarter

1 Description	2 Code	3 Date Acquired	4 Rate of Interest	5 Maturity Date	6 Book/Adjusted Carrying Value	7 Amount of Interest Due & Accrued	8 Amount Received During Year
<p><b>NONE</b></p>							
8699999 Total Cash Equivalents					0	0	0



SUPPLEMENT FOR THE QUARTER ENDING MARCH 31, 2014 OF THE GRANGE INSURANCE COMPANY OF MICHIGAN

DIRECTOR AND OFFICER INSURANCE COVERAGE SUPPLEMENT

Year To Date For The Period Ended 2014

NAIC Group Code 00267

NAIC Company Code 11136

If the reporting entity writes any director and officer (D&O) business, please provide the following:

1. Monoline Policies

1 Direct Written Premium	2 Direct Earned Premium	3 Direct Losses Incurred
\$ 0	\$ 74	\$ 9

2. Commercial Multiple Peril (CMP) Packaged Policies

2.1 Does the reporting entity provide D&O liability coverage as part of a CMP packaged policy? Yes [ ] No [X]

2.2 Can the direct premium earned for D&O liability coverage provided as part of a CMP packaged policy be quantified or estimated? Yes [ ] No [X]

2.3 If the answer to question 2.2 is yes, provide the quantified or estimated direct premium earned amount for D&O liability coverage in CMP packaged policies

2.31 Amount quantified: \$ .....

2.32 Amount estimated using reasonable assumptions: \$ .....

2.4 If the answer to question 2.1 is yes, provide direct losses incurred (losses paid plus change in case reserves) for the D&O liability coverage provided in CMP packaged policies. \$ .....